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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/783,746	02/15/2001	Robert G. Stevens	ARIBP036	2175
21912 7590 12/22/2009 VAN PELT, YI & JAMES LLP 10050 N. FOOTHILL BLVD #200 CUPERTINO, CA 95014				
EXAMINER				
TINKLER, MURIEL S				
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3691				
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/783,746

Applicant(s)

STEVENS, ROBERT G.

Examiner

MURIEL TINKLER

Art Unit

3691

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 21 September 2009.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1, 4-16, 18, 19 and 22 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1, 4-16, 18, 19 and 22 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SEA-3)
- 4) ☐ Interview Summary (PTO-413)
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____
- Paper No(s)/Mail Date _____

DETAILED ACTION

This application has been reviewed. The status of the claims are as follows: claims 1, 2, 4-16, 18, 19, 21 and 22 were previously pending; Claims 1, 18 and 22 have been amended; no claims have been added or cancelled; therefore, claims 1, 4-16, 18, 19 and 22 are currently pending and have been examined. The rejection(s) are as follows.

Response to Arguments

1. Applicant's arguments filed September 21, 2009 have been fully considered but they are not persuasive. The Applicant argues, on pages 6-8, that the prior art does not teach: delivering goods and services to geographic areas; and, querying or automatic selection of elements. The Examiner disagrees.
2. It is important to note here that the previous limitations specifically stated, "determining whether the request includes geographic information; and in the event that it is determined that the request includes geographic information: querying a database of information requesting the capabilities of suppliers to deliver goods and services to geographic areas and automatically selecting as potential bidders for an auction those suppliers whose capabilities satisfy at least a portion of the request." The Examiner cited Giovannoli, column 2 (lines 35-60).
3. However, the Applicant has amended the claim further to state, "and wherein the request includes geographic information" and eliminating the previously added amendments of, "determining whether the request includes geographic information; and

in the event that it is determined that the request includes geographic information.” The Examiner maintains that Giovannoli, column 2 (lines 35-60) disclose this feature, “The method of the present invention processes requests for quotation for goods and/or services from a buyer or supplier of goods and/or services through a computerized system forming a computer based communications network of network members for linking buyers to suppliers ...” Also see response below.

4. The Applicant argues that there is no mention of the suppliers capabilities to deliver goods to a certain area, citing the Abstract, figure 7 and column 5 (lines 9-12) of Giovanni. The Examiner has noted the Applicant's objections concerning these areas and further analyses these areas. The Examiner points to filter conditions shown in column 5 (lines 9-36), figures 5-7. More specifically, the buyer's filter conditions (shown in figure 7) clearly indicate “ship method” and “ship destination” as filter conditions. Additionally, the vendors have filtering conditions associated with shipping, see “shipping charge” and “delivery time” as part of the vender filtering conditions in figure 7. Therefore, the Examiner contends that Giovannoli does teach the use of delivering goods and services to geographic areas.

5. Concerning the “querying or automatic selection elements” the Examiner points again to figures 5-7. Figure 5 discloses a querying process that ends with an automatic selection of vendors, “Generate List of Qualifying Vendors Ordered by Position”. Figure 6 is also a querying process that adds vendors to the list, provides a statement that says that “No Vendors Found” and generates new positions/updates positions for the

vendors. And, figure 7 shows the filtering limitations for both vendors and buyers.

Additionally, figures 2A and 2B and column 7 (lines 6-8) also disclose this feature.

6. Applicant's arguments, see page 6, filed September 21, 2009, with respect to the 35 USC 101 Rejection or claims 1 have been fully considered and are persuasive. The 35 USC 101 Rejection of claims 1 and 4-16 has been withdrawn.

7. Applicant's arguments filed September 21, 2009, with respect to the 35 USC 101 Rejection of claim 22 have been fully considered but they are not persuasive. The Applicant has not amended the claim to provide any hardware that performs any calculations or transformation steps within the body of the claim.

Claim Rejections - 35 USC § 101

8. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

9. Claim 22 is rejected under 35 U.S.C. 101. Based on Supreme Court precedent and recent Federal Circuit decisions, a 35 U.S.C § 101 process must (1) be tied to a particular machine or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. In re Bilski et al, 88 USPQ 2d 1385 CAFC (2008); Diamond v. Diehr, 450 U.S. 175, 184 (1981); Parker v. Flook, 437 U.S. 584, 588 n.9 (1978); Gottschalk v. Benson, 409 U.S. 63, 70 (1972); Cochrane v. Deener, 94 U.S. 780,787-88 (1876).

10. An example of a method claim that would not qualify as a statutory process would be a claim that recited purely mental steps. Thus, to qualify as a § 101 statutory

process, the claim should positively recite the particular machine to which it is tied, for example by identifying the apparatus that accomplishes the method steps, or positively recite the subject matter that is being transformed, for example by identifying the material that is being changed to a different state.

11. Here, the Applicant's computer readable medium claims do not contain any hardware in the body of the claim that performs any calculating or transformation steps. A purely software based claim is not patentable. Thus, the claims are non-statutory.

12. The mere recitation of the machine in the preamble with an absence of a machine in the body of the claim fails to make the claim statutory under 35 USC 101.

Note the Board of Patent Appeals Informative Opinion Ex parte Langemyer et al.

Claim Rejections - 35 USC § 103

13. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

14. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.

4. Considering objective evidence present in the application indicating obviousness or nonobviousness.
15. Claims 1, 7-12, 16, 18, 19 and 22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Giovannoli, U.S. Patent No. 5,758,328, in view of Walker, U.S. Patent No. 5,794,207, in view of Fedor, U.S. Patent No. 6,785,660, and further in view of Sheth et al., U.S. Patent No. 7,069,242.

Claims 1, 8, 9, 11, 12, 16, 18, 19 and 22, Giovannoli discloses a computerized quotation system and method for forming a computer based network of members inclusive of buyers and sellers, for processing quotations for goods and services, through which a buyer issues a request for quotation for goods or services to the computerized system identifying the good or service requested, the computerized system which filters appropriate vendors to receive the request for quotation of goods or services based on filter conditions set forth by the vendor and/or buyer, electronically transmitting the request for quotation to the selected vendors, vendors electronically responding to the request by communicating their quotations to the computerized system, and the computerized system transmitting the received quotations to the buyer (column 2 line 35 - column 3 line 21). Giovannoli teaches the buyer submits a final purchase order to the winning bidder via electronic communications. Giovannoli teaches only vendors capable of fulfilling the request requirements are selected by the computerized system, including geographic requirements (column 2 lines 35-60). Giovannoli teaches only selected vendors respond with a bid (column 7 lines 6-8).

Giovannoli further teaches the steps of completing said request for quotation, and steps for selecting a vendor may be performed by the buyer (figure 2A And 2B).

Claims 1, 11, 12, 18, and 22, Giovannoli fails to teach providing a bidding deadline and electronically accepting bids from bidders before the deadline expires.

Walker discloses a method and apparatus for facilitating and controlling a buyer driven market, where prospective buyers of goods and services submit a request for said goods and services, which is then processed and electronically mailed to potential seller groups (column 18 lines 15-25). Walker teaches the request for proposal (RFP) information being sent to potential sellers, wherein the RFP information includes an expiration date, after which the RFP becomes expired, and the contract may no longer be binded (column 17 lines 43-47: the expiration is set. An expired CPO is considered equivalent to "not accepting bids"). It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to modify the teachings of Giovannoli to include the expiration date feature of Walker because the environments of Giovannoli and Walker are similar, and it feature of Walker which allows for RFP expirations is desirable, so that an buyer is not bound to purchase an item after a time when the item is no longer needed. The addition of this feature would provide the same benefits in the context of Giovannoli, and one of ordinary skill in the art would recognize that the results are predictable.

Giovannoli also fails to teach the database includes historical bidding information pertaining to at least some of the potential bidders.

Walker teaches the database includes a counter offer database, which tracks all the counteroffers from the sellers regarding the CPOs (column 13 lines 30-34). According to Walker, a seller responds to a CPO by offering new conditions for the contract, which may include a new price. This counteroffer is considered a bid for the contract placed by the seller. The counteroffer database, therefore, stores this historical bidding information pertaining to some of the sellers (i.e., the sellers who have made counteroffers). It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to modify the teachings of Giovannoli to include maintaining a database of the bids because one of ordinary skill in the art would have recognized that keeping historical records of contractual agreements is desirable, and the results of adding this feature to the invention of Giovannoli are predictable.

Claims 1, 18, 22, Giovannoli and Walker fail to teach automatically selecting a winning bidder.

Fedor discloses an electronic bidding process for the procurement of items, wherein received bids are evaluated according to a predetermined algorithm to automatically select a winning bidder (column 3 lines 44-65). It would have been obvious to one of ordinary skill in the art at the time of the Applicant's invention to modify the teachings of Giovannoli and Walker to include automatically selecting a winning bidder because automating the process would eliminate the time necessary to manually evaluate every received bid, and would also eliminate the chance of errors. These are desirable features of any electronic system. While Giovannoli and Walker

teach the user selecting the winning bidder, it is noted that the user may defining the algorithm for automatically selecting the winner, and therefore the automation does not teach away from the manual process disclosed by Giovannoli and Walker.

Claims 1, 18, 22, Giovannoli, Walker, and Fedor fail to teach the database including performance information, which includes information associated with the historic ability of a supplier to deliver a good or service after the supplier is designated a winning bidder in a prior auction.

Sheth discloses a system and method of conducting a reverse auction from a request for proposal, and selecting a winning supplier based on user criteria and bidding, the criteria including acceptable feedback rating (column 7 lines 27-67). The method and system of Sheth includes a database including information about a supplier, the information being associated the satisfaction of a customer who previously used the auction system and used the supplier as a result (column 8 lines 24-46). It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to modify the teachings of Giovannoli, Walker, and Fedor, to include the supplier reputation database of Sheth because it would be improving the Giovannoli/Walker/Fedor supplier auction system in the same way that the feature improves the Sheth supplier auction system. It is recognized in the art that reputation is important when dealing in vendor or supplier bidding (Sheth: column 8 Line 41). Such a feature would be a countermeasure to fraud, and would allow for a safer, more honest marketplace.

Claims 7, 10, Giovannoli fails to teach the buyer request may be posted on bulletin boards or web pages. Walker teaches potential sellers are selected by meeting certain conditions set forth by the buyer. Walker teaches the seller submits a counteroffer to the buyer thereby facilitating the buyer to. choose the best counteroffer as the winner of the contract (Figures 5-11 and Column 18 Lines 24-31). Walker further teaches the buyer's request may be posted on bulletin boards or web pages. It would have been obvious to one of ordinary skill in the art at the time of the Applicant's invention to modify the teachings of Giovannoli to include posting the request on bulletin boards or web pages because posting a single description in a central, universally accessible location such as the internet or a bulletin board would improve the efficiency of the system.

16. Claims 4-6 are rejected under 35 U.S.C. 103(a) as being unpatentable over Giovannoli, Walker ('207), Fedor, Sheth, and Applicant's admitted prior art.

Claims 4-6, Giovannoli, Walker ('207), Fedor, and Sheth fail to teach a predefined amount of time for completion of the steps of automatically selecting, electronically notifying and electronically selecting a winning bidder. Giovannoli, Walker ('207), and Fedor further fail to teach including a bidding time period and a bidding deadline in the electronic communication, and instructing selected vendors to post bids before said deadline.

Official Notice is taken that defining the length of time of the auction process, having a bidding time period and a bidding deadline, and the notification of said deadlines is old and well known in the art. Since Applicant failed to adequately challenge Examiner's statement of what is old and well known in the art in a timely manner, as cited in the Office Action dated 9/28/05, the statement of Official Notice is considered admitted prior art. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify the teachings of Giovannoli, Walker ('207), Fedor, and Sheth to include in the method the steps of defining the timeframe under which the steps of automatically selecting, electronically notifying, and electronically accepting a winning bidder must be completed, and of including in said electronic notifications a bidding time period and a bidding deadline, and instructions to post bids before said deadline, as steps may be completed within any predetermined time to accommodate the needs of the buyer, improving the usefulness and convenience of the method. Electronic notification of said deadlines, and instructions for bidders to place bids before said deadlines informs the bidder, making the method easier to implement.

17. Claims 13 and 14 are rejected under 35 U.S.C. 103(a) as being unpatentable over Giovannoli, Walker ('207), Fedor, and Sheth, and further in view of Ausubel, U.S. Patent No. 5,905,975.

Giovannoli, Walker ('207), Fedor, and Sheth fail to teach instructing the selected bidders to post sealed bids, and instructing selected bidders to post partially open bids in which bidders may revise bids until the deadline passes.

Ausubel discloses a computer implemented system and method of executing an auction, in which bids are submitted and processed, and a winner selected. Ausubel teaches sealed bid auctions as a method of conducting the auction, and a method of bidding where bidders are allowed to continuously revise their bids until the close of the auction. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify the teachings of Giovannoli, Walker ('207), Fedor, and Sheth to include such methods for the bidding process because they are fair, organized, commonly used methods of the auction art, and the addition of the features would achieve predictable results.

18. Claims 15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Giovannoli, Walker ('207), Fedor, and Sheth, in view of Godin, U.S. Patent No. 5,890,138.

Giovannoli, Walker ('207), Fedor, and Sheth fail to teach the step of confirming the award by the winning bidder by visiting a web page. Godin discloses a reverse auction system conducted over electronic means, preferably the Internet. Godin teaches a winning bidder is taken to a confirmation screen where said bidder must input financial information to confirm the award and complete the transaction. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was

made to modify the teachings of Giovannoli and Walker ('207) to include confirming the award on a web page to make the system more Convenient, and for easing the close of the transaction. Giovannoli, Walker ('207), Fedor, and Sheth fail to teach notifying all bidders who posted bids about their status. Godin teaches a status screen that is available to all registered users where a bidder can view the item, time remaining in the auction, current price of auction, and current winning bidder. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify the teachings of Giovannoli, Walker ('207), Fedor, and Sheth to include a method for notifying bidders of their status because bidders would need this information to determine whether or not to revise a bid during the course of the auction.

Conclusion

19. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to MURIEL TINKLER whose telephone number is (571)272-7976. The examiner can normally be reached on Monday through Friday from 6:30 AM until 3 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571)272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Alexander Kalinowski/
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